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TO RUEHC/SECSTATE WASHDC 4765

INFO RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS

RUCOWCV/CCGDSEVEN MIAMI FL

RUEAIIA/CIA WASHINGTON DC

RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC

RUCOGCA/COMNAVBASE GUANTANAMO BAY CU

RHMFISS/HQ USSOUTHCOM MIAMI FL

RUEKJCE/JOINT STAFF WASHINGTON DC

RHEFDIA/DIA WASHINGTON DC

RUEATRS/DEPT OF TREASURY WASHINGTON DC

RUCPDOC/DEPT OF COMMERCE WASHINGTON DC

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SENSITIVE SIPDIS

DEPT FOR WHA/CCA, IO/T-DENNIS DELEHANTY, AND L/EMP-DAVID HUITEMA

PASS TO USPS

E.O. 12958: N/A

TAGS: ECPS EINT ECON CU

SUBJECT: DIRECT MAIL WITHIN CUBA - YOU GET WHAT YOU PAY FOR

11. (U) SUMMARY: A regular postage stamp to mail a letter within Cuba costs less than one penny. As you would expect, however, you get what you pay for. Domestic service is inconsistent, unreliable, much delayed, and, therefore, hardly used by most Cubans. Sending packages and international service is even worse. Post offices are predominately used to pay utility bills, cash pension and social assistance checks, use the public telephone, and, when available, access email. The Government of Cuba's (GOC) decision on June 29 (recently made public) to authorize Cuban post offices to provide Internet access is welcome news, even if it has not yet taken effect. END SUMMARY

Mail in Cuba

12. (U) Cuba has 1,044 post offices in the entire country (about 1 for every 11,000 people). Post offices provide some or all of the following services: sell stamps, certify letters, send telegrams, cash pension and social assistance checks, receive payments for telephone, electricity, and other utility bills, sell school supplies and post cards, and house a public telephone. There is usually only one post office per province that can ship and/or receive large packages. According to official statistics, Cuba processed a total of 10,663,900 mail units (letters, small packages, etc.) domestically and internationally in 2008; less than one unit per person per year. In addition, Cubans sent another 2.8 million telegrams through the postal system. The only invoice delivered to residences through the mail is for the telephone. However, one can not pay any bills, including for the telephone, through the mail. All bills have to be paid in person either at the post office or directly to the specific collector (the water company, electric company, phone company, etc.)

13. (U) The cost of sending a regular letter anywhere within Cuba is 15 to 20 centavos moneda nacional (Cuban non-convertible pesos), which is less than one U.S. cent (NOTE: this is still roughly four times more expensive than a first class stamp in the United States when factoring in average salaries. END NOTE) To send a certified letter within Cuba costs just under five cents (USD). Letters mailed to the United States or Europe cost either three cents (regular) or seven cents (certified). Domestic packages

range from five cents to nine cents per kilogram. International packages to the United States or Europe cost between 35 cents and \$1.43 per kilogram. The maximum weight for packages bound for the United States is two kilograms. All prices are paid in moneda nacional and include certification and custom procedures for packages. Anyone who can afford to pay in convertible currency can send small packages and correspondence via an international courier, such as DHL or EMS. These services are much more expensive and reliable.

The Internet: If You Can't Beat It, Join It

14. (U) Average mail usage fell 30 percent from the period 1999-2004 (15,577,150 units per year) to 2005-2008 (11,211,230). One of the reasons officially acknowledged has been poor service. The official media has printed on several occasions the problems prevailing in the postal service, as compared with the relative improvements in the other areas of the communications sector (more fixed lines, the introduction of mobile phones, and broader email and internet service). Among the cited shortcomings are: instability due to staff shortages and turnover; postal crimes, including theft and robbery of packages; and the inappropriate use of state funds and poor accounting practices. Delays are common for both letters and packages. Anecdotal evidence suggests that packages could take anywhere from seven days to 45 days to reach another province within Cuba. International mail and packages take even longer. (NOTE: The Chief of Mission mailed himself a postcard from Europe in May 2009 and it is

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yet to arrive at U.S. Interests Section in Cuba. END NOTE)

- 15. (U) Another likely reason for the drop in services is increased access to email, the Cuban Intranet, and, for some, the Internet. Domestic and international email services have become more available both at public outlets and at state companies and institutions. According to official statistics, 43 post offices provide access to email and/or Cuba's intranet, including 7-10 facilities in Havana. The rate for using the Intranet and email services (domestic and international using a .cu domain name) is \$1.62 (CUC 1.50) per hour. This is much cheaper than the tourist Internet cafes and hotels (\$5 to 12 per hour), but still prohibitively expensive for most Cubans taking home less than one dollar per day.
- 16. (SBU) In early September, the Cuban Government published in its Official Gazette a June 29 decision authorizing the Cuban Post Office as a Public Internet Service Provider, "which it will make available to private individuals in the national territory through its Internet areas." To our knowledge, no post office has started to offer Internet services beyond the previous access to email and the Cuban intranet. There is also no indication that the new permission will extend to any more than the 43 post offices that currently offer limited services.

COMMENT

17. (SBU) Allowing Internet access at post offices is consistent with some of the GOC's previous measures (permitting the sale of mobile phones and computers, access to tourist facilities, etc.) to formally remove major irritants to the Cuban people, collect a bit of revenue, and appear more open to the rest of the world. The GOC already offers heavily restricted but free access to the Internet at the 611 Youth Computer Clubs open around the country. Since Cubans who could afford it already had access to the (mostly) open Internet at tourist hotels where the Cuban Government splits the revenue with foreign joint ventures, this recent

step simply extends that access to a few more locations with the revenue flowing directly into the Government's pockets. As the United States and Cuba prepare to sit down this week to discuss how to get mail directly from one country to the next, the Cuban Government still has a long way to go to ensure that those letters and packages will then make their way to the intended recipients within the island in a timely and secure fashion. FARRAR